

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 755 - HB 989**

March 13, 2020

**SUMMARY OF ORIGINAL BILL:** Changes, from March 1 to April 1 of each year, the date by which the Department of Children's Services (DCS) must appear before the Judiciary Committee of the Senate and the Civil Justice Committee of the House of Representatives for a review of the department's policies, protocols and procedures that affect the children it serves.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (015847):** Deletes all language after the enacting clause. Adds to the definition of "severe child abuse" the act of knowingly or with negligence allowing a child to be within a structure where a Schedule I or II controlled substance is present or accessible to the child.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures – Exceeds \$212,100/FY20-21 and Subsequent Years**

**Increase Federal Expenditures – Exceeds \$171,100/FY20-21 and Subsequent Years**

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 36-1-113(g), initiation of termination of parental or guardianship rights may be based upon a parent or guardian having found to have committed severe child abuse.
- This legislation will expand the definition of severe child abuse to include the act of knowingly or with negligence allowing a child to be within a structure where a Schedule I or II controlled substance is present or accessible to the child, thus, expanding the offenses for which parental or guardianship rights may be terminated.
- Based on information taken from the FY18-19 Second Look Commission's Annual Report, the most prevalent type of child abuse of the overall 555 DCS cases reviewed was drug exposure of a child/infant. In fact, over one third of all cases reviewed for FY17-18 involved children exposed to drugs.

- Due to the prevalence of drug exposure to children, it is assumed that this legislation could result in an increase in loss of parental or guardianship rights, and as a result, an increase in the number of children being taken into DCS's custody.
- Such increase is dependent upon a number of unknown factors, but is reasonably estimated to result in at least 10 additional children being in DCS's custody each year.
- The average cost per day per child in the custody of DCS is estimated to be \$105.
- The recurring increase in expenditures associated with providing foster care payments for children in state custody is estimated to exceed \$383,250 (10 children x 365 days x \$105).
- The increase in expenditures of \$383,250 will consist of \$212,148 in state funding and \$171,103 in federal funding, as follows:
  - \$153,300 in DCS state funds ( $\$383,250 \times 40.0\%$ ).
  - \$58,848 in TennCare state funds [ $(\$383,250 \times 45.0\%) \times 34.122\%$ ].
  - \$113,615 in TennCare federal funds [ $(\$383,250 \times 45.0\%) \times 65.878\%$ ].
  - \$57,488 in federal funds ( $\$383,250 \times 15.0\%$ ).
- The courts will not experience any significant increase in caseloads; therefore, any impact to the court system is estimated to be not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/jdb